



TRIANGLE J COUNCIL OF GOVERNMENTS TRIANGLE J AREA AGENCY ON AGING

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C l a s s

R e g i o

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Dear Ms. Johnson:

We are pleased for the opportunity to submit comments on the proposed rule for 31 CFR Part 208, published in the Federal Register on September 16, 1997.

Section 208.4 -- Waivers

(1) We commend the Treasury Dept. for adopting a self-certification process for persons to request a waiver from payment of benefits by electronic transfer. We do urge the Dept. to add to the three specified reasons for a waiver indicated in the proposed regulation -- a physical disability, geographic barrier, or a financial hardship. The legislative history mentions **mental, educational, and language barriers** as reasons to grant waivers and we believe a self-certifying process should also be available for persons with these problems who would function better with a written check rather than an electronic funds transfer.

There are those with these barriers (and it should be noted that literacy problems with one's native, non-English language do exist for some persons) who are managing productive lives with a check-based approach. The option to receive a federal benefit in this mode should be preserved. If the education and training resources for using an electronic transfer account and ATM's can address the needs of those with mental, educational and language barriers, then there should be no need for these persons to seek a waiver. However, acknowledging the trend for continued reduction of federal resources for education and training, the prospects for an on-going effort to assist persons with these barriers do not seem assured.

(2) The proposed rule will exclude anyone with a financial hardship who already has an account at a financial institution from either claiming a waiver for receipt of a benefit check. We do not believe that anyone with a financial hardship should be denied the option of receiving a written benefit check, even if they have already opened an account at a financial institution.

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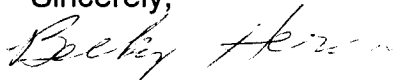
Bank mergers and branch closings are pushing costs higher for use of accounts and gaining access to the banking facility. It may be more reasonable financially for persons to have access to funds outside the banking community than continue to use these institutions.

Section 208.5 -- Access to Account Provided by Treasury

- (1) Certainly, if the new electronic transfer accounts (ETA's) to be established by the Treasury Dept. are readily accessible and affordable, persons using the banking community should want to continue to do so. It would also help to widen the acceptance of the ETA if the federal government would bear the reasonable cost of such an account for those with incomes at or below 150% of the federal poverty level.
- (2) A debit card-based account to individuals should be available for those receiving payment through electronic funds transfer (EFT).
- (3) The account should offer a minimum of six free withdrawals per month to recognize the weekly bill-paying and purchasing nature transactions.
- (4) The account should allow for four free electronic or non-electronic deposits per month.
- (5) Use of a mobile bank-on-wheels should be offered to those living in rural or remote areas.

As the Treasury Dept. works out the specifics of this ETA, we urge the acceptance of two principles: (1) that cost savings to the federal government not be shifted to additional expenses to benefit recipients and (2) that financial advantages to the banking community from the additional float gained by electronic transfer of benefits be used to offset costs to those with financial hardship who are being brought into the mainstream of the financial system.

Sincerely,



Becky Heron, Chair
Aging Advisory Council